

STATE OF MAINE
PUBLIC UTILITIES COMMISSION

Docket No. 98-350

July 16, 1998

PUBLIC UTILITIES COMMISSION
Amendment to Uniform System
of Accounts for Gas Utilities
Chapter 410

ORDER ADOPTING RULE AND
STATEMENT OF FACTUAL AND
POLICY BASIS

WELCH, Chairman; NUGENT, Commissioner

I. INTRODUCTION

By this Order, we adopt amendments to Chapter 410 of the Commission's Rules, entitled "Uniform System of Accounts for Gas Utilities," originally implemented on June 21, 1979 in Docket No. M.212. The amended rule, which is attached to this Order, amends the existing rule by requiring every gas utility to maintain its accounts and records in conformity with the Uniform System of Accounts found in Title 18, Subchapter F, Part 201, of the Code of Federal Regulation (Title 18, Subchapter F, Uniform System of Accounts). This rulemaking formally incorporates this uniform system of accounts into the Commission rules.

II. BACKGROUND

Chapter 410 currently requires all gas utilities to keep their books in the manner and form prescribed in the Uniform System of Accounts for Class A and B Gas Utilities, Issue of 1958, National Association of Regulatory Utility Commissioners (NARUC Uniform System of Accounts). The NARUC Uniform System of Accounts has not been revised since 1976 and is currently out-of-date. Furthermore, NARUC has no immediate plans to update its uniform system of accounts.

The only gas company currently operating in Maine (Northern Utilities, Inc.) obtained a waiver from the Director of Finance in February 1987 to file an annual FERC Form No. 2-A (FERC Form) report with the Commission. Northern's FERC Form is in conformity with the Title 18, Subchapter F, Uniform System of Accounts.

III. REVISIONS TO RULE 410

The rule amends § A of Chapter 410 to require every gas utility to maintain its accounts and records in conformity with the Title 18, Subchapter F, Uniform System of Accounts.

IV. PROCEDURAL HISTORY

On May 18, 1998, the Commission issued its Order Commencing Rulemaking to amend the Uniform System of Accounts for Gas Utilities (Chapter 410). The Order established June 10, 1998 as the deadline for written comments. No comments were received on the proposed rulemaking by the rulemaking comment deadline.

On June 30, 1998, Maritimes & Northeast Pipeline, L.L.C. (MNE) filed after-deadline comments on the proposed rule. MNE requests that the Commission add language to explicitly exempt FERC certificated natural gas pipelines, such as MNE from the requirements of the rule. We deny MNE's request as it raises issues that go beyond the scope of this rule. MNE appears to be questioning the scope of state jurisdiction over natural gas pipelines. We will adopt the rule as proposed. MNE can ask for a waiver of the rules requirements. For example, we would consider granting a waiver if a utility was operating exclusively within FERC's jurisdiction and our informational needs could be met through the provision of copies of FERC required reports. MNE could also seek an advisory ruling request, if it believes clarification of the applicability of the rule or Maine's statutes is necessary.

V. RULEMAKING PROVISIONS

This rulemaking was conducted according to the procedures established in 5 M.R.S.A. § 8051-8074.¹ The attached rule is adopted as it was proposed except it should be noted that we have modified Section C of the rule to clarify that the utility will file annually its FERC Form with this Commission on April 1

5 M.R.S.A. § 8052(5-A) requires that, in adopting rules, state agencies must seek to reduce any economic burdens on small businesses. Section 8057-A(1)(C) requires a state agency to estimate the fiscal impact of the proposed rule change. The fiscal impact of the proposed rule change should not increase the

¹Provision for this rulemaking was made in the Commission's 1997-1998 Regulatory Agenda filed pursuant to 5 M.R.S.A. §§ 8053-A and 8060 on July 2, 1997. The entry for Chapter 410 of the Commission's rules appears on page 5 of the Regulatory Agenda.

economic burden on gas utilities because the uniform system of accounts is already being used in Maine. Similarly, the Commission does not anticipate that the proposed rule will impose any economic burden on small business as that term is defined in 5 M.R.S.A. § 8052(5-A), which addresses reporting requirements and implementation schedules.

Accordingly, we

O R D E R

1. That the attached Chapter 410 Uniform System of Accounts for Gas Utilities is hereby adopted;
2. That the Administrative Director shall file the adopted rule with the Secretary of State; and
3. That the Administrative Director shall send copies of this Order and attached rule to:
 - A. All gas utilities in the state;
 - B. All persons on the Commission's subscriber list who have requested notice of rulemakings;
 - C. All persons who have expressed an interest in this rule and have requested notice of this rulemaking proceeding;
 - D. The Bureau of Corporations, Elections and Commissions in the Office of the Secretary of State;
 - E. The Secretary of State for publication in accordance with 5 M.R.S.A. § 8053(5); and
 - F. The Executive Director of the Legislative Council (20 copies).

Dated at Augusta, Maine, this 16th day of July, 1998.

BY ORDER OF THE COMMISSION

Dennis L. Keschl
Administrative Director

COMMISSIONERS VOTING FOR: Welch
 Nugent